

Listing and Amendments to the Claims

This listing of claims will replace all prior versions, and listings, of claims in the application:

Claims 1-30. (Cancelled)

31. (Currently Amended) A ~~improved~~ method of determining life insurance policy value represented as a plurality of current insurance units having a premium ~~deducted by state and federal tax objections~~ invested in at least one investment instrument, ~~which is subjected to at least one investment instrument fee including a management fee, an expense fee, and an incentive fee, said improvement~~ comprising:

~~eliminating said investment instrument fee~~

charging a one time administration fee to the premium prior to investing;

determining a net asset at a known ~~period~~ time based on a performance return of each of said investment instruments; and

adjusting, at a selected date, said current number of said insurance units by a number of insurance units corresponding to a change in value of each of said investment instruments reduced by a corresponding performance fee, based on said net asset value, wherein said performance fee is a known percentage of said change in value of each of said investment instruments if said change in investment value is positive.

32. (Original) The method as recited in claim 31 wherein said performance fee includes a fee for investment management and performance.

33. (Original) The method as recited in claim 31 wherein said selected date corresponds to an anniversary of said policy.

34. (New) A method for determining a life insurance policy value comprising the steps of: (a) calculating a gross net asset value; (b) deducting an investment expense; (c) calculating a cost of insurance; (d) calculating a number of units for the cost of insurance charge; (e) calculating an investment gain or loss; and if the investment gain is positive then calculate an incurred performance fee otherwise set the performance fee to a fixed value.